

CIA INTERNAL USE ONLY

MEMORANDUM FOR THE RECORD

18 June 1956

SUBJECT: Architect-Engineer Contract Negotiation  
with Harrison and Associates

1. Following the initial attempted negotiation of an Architect-Engineer Contract, in amount of \$1,751,300, it has been estimated that a building to house the entire Agency cannot be built within the existing authorization. Harrison and Associates are familiar with the revised estimate of cost prepared by Public Buildings Service, which indicates authorization and appropriation requirements of \$55,900,000 in lieu of \$46,000,000.

STATINTL

Therefore, it is desirable to have the A-E planning accomplished to meet the total Agency requirements and to permit necessary reduction of space in the event that additional construction funds are not made available.

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3. On 14 June I met with [redacted] representatives and it was agreed that an adjustment of the proposed A-E fee would be appropriate. It was decided to recompute the fee in strict accordance with the FBS formula without regard to design complexity except for the Boiler Plant. On this basis the fee for A-E services would be as follows:

|                                                      |               |
|------------------------------------------------------|---------------|
| Main Building, Site,<br>Planning, Utilities,<br>etc. | \$1,776,400   |
| Boiler Plant                                         | 108,000       |
| Supervision                                          | <u>90,750</u> |
| TOTAL                                                | \$1,975,150   |

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4. Accordingly, on 15 June 1955 Mr. Johnston of Harrison and Abramovitz met with Messrs. Foss, Hunter, Palmer and Winknick of FNS, Director of Logistics and the undersigned to negotiate the contract. Mr. Johnston was of the opinion that an increase of \$100,000 should be considered but agreed to the \$223,000 increased fee after some discussion.

5. Mr. Foss emphasized that the suggested contract would be submitted to the General Services Administration and would undoubtedly be approved. Mr. Johnston assured that the new contract would receive their immediate attention when available..

6. Following Mr. Johnston's departure, Mr. Foss requested us to expedite the transfer of \$223,000 to the FNS in order that the contract could be processed and forwarded to Harrison and Abramovitz for their signature as quickly as possible. In this connection the ED/S instructed the Deputy Comptroller to initiate action for immediate transfer of funds covering the increased A-E fee.

STATINTL

[REDACTED]  
Chief, Building Planning Staff

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